

 Early Warning System

IFC-38038

VP Bank Senior Loan



Quick Facts

Countries	Vietnam
Specific Location	National-wide
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	F1
Voting Date	2016-06-13
Borrower	VIETNAM PROSPERITY JOINT STOCK COMMERCIAL BANK
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	\$ 50.00 million
Loan Amount (USD)	\$ 50.00 million
Project Cost (USD)	\$ 100.00 million



Project Description

The Project is to provide:

- (i) a senior loan that consists of up to US\$50 million A loan as well as up to US\$50 million B/ Parallel loan, and
- (ii) a trade finance guarantee facility of up to US\$50 million through IFC Global Trade Finance Program (“GTFP”) to Vietnam Prosperity Joint Stock Commercial Bank (“VP Bank” or the “Bank”).

Through the investment, IFC will support the Bank’s growth strategy to expand its reach to small and medium enterprise (“SME”) and micro SME (“MSME”) borrowers, particular women-owned SMEs (“WSMEs”), who play an important role within the economy and contribute towards job creation in Vietnam, as well as mortgage segment. The Project will be supported by IFC’s Women Entrepreneurs Opportunity Facility (“WEOF”).

The Project is expected to have considerable development impact by increasing access to finance for MSMEs and SMEs, particularly women entrepreneurs in Vietnam. That, in turn, will help increase opportunities for women entrepreneurs and improve livelihoods for a wide cross-section of society. It is also expected to improve access to credit in Vietnam as it will enable VP Bank to provide credit to underserved MSMEs and SMEs.



Investment Description

- International Finance Corporation (IFC)

VP Bank, previously known as Vietnam Joint Stock Commercial Bank for Private Enterprises, was set up in 1993. With a focus on retail and SME segments, the Bank has grown rapidly in recent years and ranked the 6th position in term of total assets amongst private joint stock commercial banks in Vietnam in 2015. VP Bank's shareholder structure consists of 3,490 individual investors, who own a shareholding of 45.31% in total, and 49 institutional local investors (54.69%).

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- [Vietnam Prosperity Joint Stock Commercial Bank](#) (Financial Intermediary)



Private Actors Description

Vietnam Prosperity Joint Stock Commercial Bank, previously known as Vietnam Joint Stock Commercial Bank for Private Enterprises, was set up in 1993. With a focus on retail and SME segments, the Bank has grown rapidly in recent years and ranked the 6th position in term of total assets amongst private joint stock commercial banks in Vietnam in 2015. VP Bank's shareholder structure consists of 3,490 individual investors, who own a shareholding of 45.31% in total, and 49 institutional local investors (54.69%).



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ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at <http://www.cao-ombudsman.org/>